

AGENDA

SPECIAL MEETING BOARD OF MAYOR AND ALDERMEN

March 30, 2004

6:00 PM
Aldermanic Chambers
City Hall (3rd Floor)

1. Mayor Baines calls the meeting to order.
2. Mayor Baines calls for the Pledge of Allegiance.

A moment of silent prayer is observed.
3. The Clerk calls the roll.
4. Mayor Baines presents his budget message pursuant to Section 6.03 of the City Charter. The presentation shall include the FY 2005 General Fund, Community Improvement Program, and all special appropriations.
5. Resolutions: **(A motion is in order to read by titles only.)**

“Authorizing Bonds, Notes or Lease Purchases in the amount of Four Million Four Hundred Thousand Dollars (\$4,400,000) for the 2004 CIP 511404, Clem Lemire Sports Complex – Memorial High School Project.”

“Authorizing Bonds in the amount of Thirty Million Dollars (\$30,000,000) for Refunding Certain Outstanding Bonds of the City.”

“Authorizing Municipal Revenue Bonds in the amount of Ninety Million Dollars (\$90,000,000) for Refunding Certain Outstanding Municipal Revenue Bonds of the City.”

(Note: savings schedule for each proposed refunding enclosed.)
A motion is in order that the Bond Resolutions pass and be enrolled.

6. Mayor Baines advises that this being a special meeting of the Board, no further business shall be presented and a motion to adjourn would be in order.

City of Manchester New Hampshire

In the year Two Thousand and Four

A RESOLUTION

"Authorizing Bonds, Notes or Lease Purchases in the amount of Four Million Four Hundred Thousand Dollars (\$4,400,000) for the 2004 CIP 511404, Clem Lemire Sports Complex – Memorial High School Project."

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

SECTION 1. That there be and hereby is authorized under and pursuant to the Municipal Finance Act, and any other enabling authority, the issuance and sale of general obligation serial bonds, notes or lease purchases of the City in the aggregate principal amount of Four Million Four Hundred Thousand Dollars (\$4,400,000) at one time or from time to time as one or more separate bond, note or lease purchase issues for purposes stated in Section 3 of said Act, as more specifically hereinafter indicated. The bonds, notes or lease purchases of each issue shall bear the City Seal, shall be signed by the manual or facsimile signature of the Mayor, countersigned by the manual or facsimile signature of the Finance Officer and shall be payable in such annual installments as shall be determined by the Finance Officer with the approval of the Mayor. Except as otherwise provided by law and this Resolution, discretion to fix the date, maturities, denomination, place of payment, form and other details of each issue of said bonds, notes or lease purchases and of providing for the sale thereof is hereby delegated to the Finance Officer.

SECTION 2. That the proceeds of said bonds, notes or lease purchases be and they are hereby appropriated for the purpose of financing costs of the following public works and improvements of a permanent nature, hereby authorized namely,

<u>Purpose</u>	<u>Amount</u>
2004 CIP 511404, Clem Lemire Sports Complex -- Memorial High School Project	\$4,400,000

It is hereby declared that the public works and improvements to be financed by said bonds, notes or lease purchases have a useful life in excess of 20 years.

SECTION 3. That the Finance Officer, with the approval of the Mayor, is hereby authorized to issue at one time or from time to time notes in anticipation of said bonds, notes or lease purchases and to renew or refund the same under and pursuant to and to the extent authorized by RSA 33:7a.

SECTION 4. That an amount sufficient to pay the principal of and interest on said bonds, notes or lease purchases payable in each year during which they are outstanding be and hereby is appropriated and, to the extent other funds are not available for such purpose, said amount shall be included in the tax levy for each year until the debt represented by said bonds, notes or lease purchases is extinguished.

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City of Manchester New Hampshire

In the year Two Thousand and Four

A RESOLUTION

"Authorizing Bonds, Notes or Lease Purchases in the amount of Four Million Four Hundred Thousand Dollars (\$4,400,000) for the 2004 CIP 511404, Clem Lemire Sports Complex – Memorial High School Project."

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

SECTION 5. That the bonds, notes or lease purchases herein authorized may be consolidated with any other issue of bonds, notes or lease purchases heretofore or hereafter authorized, provided that the last annual installment of any such consolidated issue shall be payable not later than the date on which the last annual installment of the bonds, notes or lease purchases herein authorized must be payable pursuant to this Resolution.

SECTION 6. This Resolution shall take effect upon its passage.

City of Manchester New Hampshire

In the year Two Thousand and Four

A RESOLUTION

"Authorizing Bonds in the amount of Thirty Million Dollars (\$30,000,000) for Refunding Certain Outstanding Bonds of the City"

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

SECTION 1. That there be and hereby is authorized under and pursuant to the Municipal Finance Act and any other enabling authority, the issuance and sale of general obligation refunding bonds of the City in the aggregate principal amount of Thirty Million Dollars (\$30,000,000) at one time or from time to time as one or more separate bond issues for purposes stated in Section 3-d of said Act, as more specifically hereinafter indicated. Except as otherwise provided by law and this resolution, discretion to fix the date, maturities, place of payment, form and other details of each issue of said refunding bonds and of any refunding escrow agreement or agreements necessary in connection therewith and of providing for the sale thereof is hereby delegated to the Finance Officer.

SECTION 2. That the proceeds of said refunding bonds be and they are hereby appropriated for the purpose of paying all or part of those portions of the City's bonds previously issued that are presently outstanding and may be redeemed prior to their respective maturities, including payment of the redemption premium thereon, all or part of the interest due on or prior to their perspective redemption dates and any costs of issuing and marketing the refunding bonds authorized by this resolution.

SECTION 3. That the Finance Officer is hereby authorized to issue at one time or from time to time notes in anticipation of said bonds and to renew or refund the same under and pursuant to and to the extent authorized by RSA 33:7a.

SECTION 4. That an amount sufficient to pay the principal and interest payable on said refunding bonds in each year during which they are outstanding be and hereby is appropriated and, to the extent other funds are not available for such purpose, such amount shall be included in the tax levy for each year until the debt represented by said refunding bonds is extinguished.

SECTION 5. That the refunding bonds herein authorized may be consolidated with any other issue of bonds or notes heretofore or hereafter authorized provided that the last annual installment of any such consolidated issue shall be payable not later than the date on which the last annual installment of the refunding bonds herein authorized must be payable pursuant to law and this Resolution.

SECTION 6. That upon the issuance of the refunding bonds herein authorized, the Finance Officer shall file with the City Clerk a certificate stating the principal amount of the refunding bonds issued and a list of the maturities of the refunded bonds that they were issued to pay. Upon the filing of such certificate, the authority to issue authorized and then unissued refunding bonds hereunder shall thereby be rescinded and no such additional refunding bonds shall thereafter be issued.

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City of Manchester New Hampshire

In the year Two Thousand and Four

A RESOLUTION

"Authorizing Municipal Revenue Bonds in the amount of Ninety Million Dollars (\$90,000,000) for Refunding Certain Outstanding Municipal Revenue Bonds of the City"

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

SECTION 1. That there be and hereby is authorized under and pursuant to the Municipal Revenue Bond Act (RSA 33-B:1 et seq.) (the "Act") and the Indenture of Trust by and between the City of Manchester and J.P. Morgan Trust Company, National Association, dated as of July 1, 2003 (the "Indenture"), and any other enabling authority, the issuance and sale of municipal revenue refunding bonds of the City in the aggregate principal amount of Ninety Million Dollars (\$90,000,000) (the "Bonds") at one time or from time to time as one or more separate bond issues for purposes stated in Section 8 of said Act, as more specifically hereinafter indicated, for the purpose of refinancing, to achieve debt service savings, all or a portion of the City's \$101,410,000 School Facilities Revenue Bonds, Series 2003 which were originally issued on July 31, 2003 (the "School Project Bonds"). Except as otherwise provided by law and this resolution, discretion to prepare a supplement to the Indenture providing for the issuance of the Bonds in accordance therewith, to fix the date, maturities, place of payment, form and other details of each issue of the Bonds and of any refunding escrow agreement or agreements necessary in connection therewith and of providing for the sale thereof is hereby delegated to the Mayor and Finance Officer.

SECTION 2. That the proceeds of the Bonds be and they are hereby appropriated for the purpose of paying all or any portion of the School Project Bonds, including payment of any redemption premium thereon, all or part of the interest due on or prior to their redemption or maturity date, as the case may be, and costs of issuing and marketing the Bonds.

SECTION 3. That the Bonds issued pursuant to this resolution shall not constitute a pledge of the full faith and credit of the City, but shall be payable solely from revenues pledged by the City in accordance with the Act and under and pursuant to the Indenture, as the same may be supplemented in connection with the issuance of the Bonds from time to time.

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**City of Manchester
Department of Finance**

One City Hall Plaza
Manchester, New Hampshire 03101
Phone: (603) 624-6460
Fax: (603) 624-6549

March 17, 2004

The Honorable Board of Mayor and Aldermen
C/o City Clerk Office
One City Hall Plaza
Manchester, NH 03101

Dear Honorable Board:

At the request of Alderman Gatsas, enclosed you will find the Savings schedule for each of the proposed refundings. Please be advised that the potential savings are subject to change right up to the day the refunding bonds are sold. The potential savings are a factor of the interest rates and can evaporate quickly with even a small change in the rates. The annual savings may be impacted by the final rates, the timing of the sale and the final optimized structure of the refunding bonds.

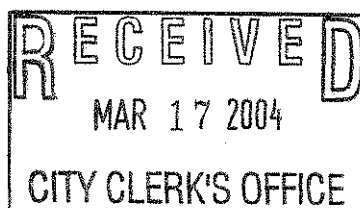
Due to the timing sensitivity, I have requested that the City Clerk place the resolutions on the agenda at the same time the Mayor presents his budget. This will provide the Finance Office with an additional week's window of opportunity to maximize the savings.

If there are any further questions regarding the refunding, please give either Kevin, Joanne or myself a call.

Respectfully submitted,

Randy M Sherman
Deputy Finance Officer

Cc: Kevin Clougherty
Joanne Shaffer



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SAVINGS

City of Manchester, New Hampshire
Refunding of Series 2003 School Revenue Bonds

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 04/01/2004 @ 4.0560497%
06/30/2004	2,125,459.38	678,693.75	1,446,765.63	1,437,115.55
06/30/2005	4,250,918.76	4,072,162.50	178,756.26	172,304.82
06/30/2006	4,250,918.76	4,072,162.50	178,756.26	165,523.05
06/30/2007	4,250,918.76	4,072,162.50	178,756.26	159,008.20
06/30/2008	4,250,918.76	4,072,162.50	178,756.26	152,749.77
06/30/2009	4,250,918.76	4,072,162.50	178,756.26	146,737.66
06/30/2010	4,250,918.76	4,072,162.50	178,756.26	140,962.19
06/30/2011	4,250,918.76	4,072,162.50	178,756.26	135,414.04
06/30/2012	4,250,918.76	4,072,162.50	178,756.26	130,084.25
06/30/2013	4,250,918.76	4,072,162.50	178,756.26	124,964.24
06/30/2014	7,765,918.76	7,582,162.50	183,756.26	123,369.85
06/30/2015	8,081,075.00	7,892,887.50	188,187.50	121,437.60
06/30/2016	7,861,075.00	7,677,625.00	183,450.00	113,690.81
06/30/2017	7,766,075.00	7,582,625.00	183,450.00	109,156.27
06/30/2018	7,764,200.00	7,576,587.50	187,612.50	107,154.44
06/30/2019	7,764,950.00	7,579,525.00	185,425.00	101,679.96
06/30/2020	7,767,500.00	7,580,387.50	187,112.50	98,489.08
06/30/2021	7,766,025.00	7,578,650.00	187,375.00	94,669.37
06/30/2022	7,764,975.00	7,578,787.50	186,187.50	90,291.56
06/30/2023	7,768,525.00	7,585,012.50	183,512.50	85,415.72
06/30/2024	7,695,575.00	7,511,275.00	184,300.00	82,317.55
06/30/2025	7,704,425.00	7,515,987.50	188,437.50	80,755.71
06/30/2026	7,700,287.50	7,514,425.00	185,862.50	76,446.72
06/30/2027	7,701,706.26	7,516,062.50	185,643.76	73,310.68
06/30/2028	7,700,206.26	7,514,850.00	185,356.26	70,276.76
	156,956,247.00	151,115,006.25	5,841,240.75	4,193,325.83

Savings Summary

PV of savings from cash flow	4,193,325.83
Plus: Refunding funds on hand	4,298.89
Net PV Savings	4,197,624.72

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SAVINGS

City of Manchester, New Hampshire
Refunds Select Callable Maturities, 1998 and 2001A

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 06/15/2004 @ 3.4076306%
06/01/2005	574,522.50	22,342.54	552,179.96	506,639.75	45,540.21	44,970.44
06/01/2006	574,522.50		574,522.50	525,488.76	49,033.74	47,197.68
06/01/2007	574,522.50		574,522.50	528,188.76	46,333.74	43,204.34
06/01/2008	574,522.50		574,522.50	530,788.76	43,733.74	39,512.48
06/01/2009	574,522.50		574,522.50	533,288.76	41,233.74	36,103.54
06/01/2010	1,689,522.50		1,689,522.50	1,645,428.76	44,093.74	37,262.17
06/01/2011	1,639,347.50		1,639,347.50	1,595,548.76	43,798.74	35,654.31
06/01/2012	1,586,942.50		1,586,942.50	1,542,473.76	44,468.74	34,855.85
06/01/2013	1,533,980.00		1,533,980.00	1,487,528.76	46,451.24	35,048.96
06/01/2014	1,405,460.00		1,405,460.00	1,360,497.50	44,962.50	32,720.87
06/01/2015	1,354,760.00		1,354,760.00	1,309,362.50	45,397.50	31,848.41
06/01/2016	1,303,800.00		1,303,800.00	1,257,642.50	46,157.50	31,216.60
06/01/2017	1,251,800.00		1,251,800.00	1,209,835.00	41,965.00	27,395.73
06/01/2018	2,219,800.00		2,219,800.00	2,176,327.50	43,472.50	27,354.36
06/01/2019	1,061,700.00		1,061,700.00	1,054,077.50	7,622.50	4,662.67
	17,919,725.00	22,342.54	17,897,382.46	17,263,117.33	634,265.13	509,008.41

Savings Summary

PV of savings from cash flow	509,008.41
Plus: Refunding funds on hand	7,152.56
Net PV Savings	516,160.97

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